

while the top 10 percent earned over \$91,890. Median annual earnings in the industries employing the largest number of insurance sales workers in 1997 were:

Fire, marine, and casualty insurance	\$34,100
Insurance agents, brokers, and services	33,200
Medical service and health insurance	31,600
Life insurance	31,500

Many independent agents are paid by commission only, whereas sales workers who are employees of an agency or an insurance carrier may be paid in one of three ways—salary only, salary plus commission, or salary plus bonus. In general, commissions are the most common form of compensation, especially for experienced agents. The amount of commission depends on the type and amount of insurance sold, and whether the transaction is a new policy or a renewal. Bonuses are usually awarded when agents meet their sales goals or when an agency's profit goals are met. Some agents involved with financial planning receive a fee for their services rather than a commission.

Company-paid benefits to sales agents usually include continuing education, paid licensing training, group insurance plans, and office space and clerical support services. Some may pay for automobile and transportation expenses, attendance at conventions and meetings, promotion and marketing expenses, and retirement plans. Independent agents working for insurance agencies receive fewer benefits, but their commissions may be higher to help them pay for marketing and other expenses.

Related Occupations

Other workers who sell financial products or services include real estate agents and brokers, securities and financial services sales representatives, financial advisors, estate planning specialists, and manufacturers' sales workers.

Sources of Additional Information

Occupational information about insurance agents and brokers is available from the home office of many life and casualty insurance companies. Information on State licensing requirements may be obtained from the department of insurance at any State capital.

For information about insurance sales careers and training, contact:

☛ Independent Insurance Agents of America, 127 S. Peyton St., Alexandria, VA 22314. Internet: <http://www.iiiaa.org>

☛ Insurance Vocational Education Student Training (InVEST), 127 S. Peyton St., Alexandria, VA 22314. Internet: <http://www.investprogram.org>

☛ National Association of Professional Insurance Agents, 400 N. Washington St., Alexandria, VA 22314. Internet: <http://www.pianet.com>

For information about health insurance sales careers, contact:

☛ National Association of Health Underwriters, 2000 N. 14th St., Ste. 450, Arlington, VA 22201. Internet: <http://www.nahu.org>

For information about insurance careers in the property and casualty field, contact:

☛ Insurance Information Institute, 110 William Street, New York, NY 10038.

For information regarding training for life insurance sales careers, contact:

☛ Life Underwriting Training Council, 7625 Wisconsin Ave., Bethesda, MD 20814.

For information about professional designation programs, contact:

☛ The American College, 270 Bryn Mawr Ave., Bryn Mawr, PA 19010-2195. Internet: <http://www.amercolledu>

☛ Society of Certified Insurance Counselors, 3630 North Hills Dr., Austin, TX 78731. Internet: <http://www.scic.com/alliance>

☛ The American Institute for Chartered Property and Casualty Underwriters, and the Insurance Institute of America, 720 Providence Rd., P.O. Box 3016, Malvern, PA 19355. Internet: <http://www.aicpcu.org>

Manufacturers' and Wholesale Sales Representatives

(O*NET 49002, 49005B, 49005C, 49005D, 49005F, 49005G, 49008)

Significant Points

- Many are self-employed manufacturers' agents who work for a commission.
- Although employers place an emphasis on a strong educational background, many individuals with previous sales experience still enter the occupation without a college degree.
- Many jobs require a great deal of travel.

Nature of the Work

Sales representatives are an important part of manufacturers' and wholesalers' success. Regardless of the type of product they sell, their primary duties are to interest wholesale and retail buyers and purchasing agents in their merchandise and to address any of the client's questions or concerns. They also advise clients on methods to reduce costs, use their products, and increase sales. Sales representatives market their company's products to manufacturers, wholesale and retail establishments, government agencies, and other institutions. (Retail salespersons, who sell directly to consumers, are discussed elsewhere in the *Handbook*.)

Depending on where they work, sales representatives have different job titles. Those employed directly by a manufacturer or wholesaler usually are called *sales representatives*. *Manufacturers' agents* are self-employed sales workers who contract their services to all types of manufacturing companies. Those selling technical products, for both manufacturers and wholesalers, are usually called *industrial sales workers* or *sales engineers*. However, many of these titles are used interchangeably.

Manufacturers' and wholesale sales representatives spend much of their time traveling to and visiting with prospective buyers and current clients. During a sales call, they discuss the customers' needs and suggest how their merchandise or services can meet those needs. They may show samples or catalogs that describe items their company stocks and inform customers about prices, availability, and how their products can save money and improve productivity. A vast number of manufacturers and wholesalers sell similar products, thus sales representatives must emphasize any unique qualities of their products and services. As independent agents, they might sell several complementary products made by different manufacturers and thus take an overall systems approach to their customer's business. Sales representatives may help install new equipment and train employees. They also take orders and resolve any problems or complaints with the merchandise.

Sales engineers are among the most highly trained sales workers. They usually sell products whose installation and optimal use requires a great deal of technical expertise and support—products such as material handling equipment, numerical-control machinery, and computer systems. Additionally, they provide information on their firm's products, help prospective and current buyers with technical problems, recommend improved materials and machinery for a firm's manufacturing process, design plans of proposed machinery layouts, estimate cost savings, and suggest training schedules for employees. In a process that may take several months, they present this information and negotiate the sale. Aided by a laptop computer connected to the Internet, they can often answer technical and non-technical questions immediately.

Frequently, sales representatives who lack technical expertise work as a team with a technical expert. In this arrangement, the technical

expert will attend the sales presentation to explain the product and answer questions or concerns. The sales representative makes the preliminary contact with customers, introduces the company's product, and closes the sale. The representative is then able to spend more time maintaining and soliciting accounts and less time acquiring technical knowledge. After the sale, representatives may make follow-up visits to ensure the equipment is functioning properly and may even help train customers' employees to operate and maintain new equipment.

Those selling consumer goods often suggest how and where merchandise should be displayed. Working with retailers, they may help arrange promotional programs, store displays, and advertising.

Obtaining new accounts is an important part of the job. Sales representatives follow leads from other clients, track advertisements in trade journals, participate in trade shows and conferences, and may visit potential clients unannounced. In addition, they may spend time meeting with and entertaining prospective clients during evenings and weekends.

Sales representatives have several duties beyond selling products. They also analyze sales statistics; prepare reports; and handle administrative duties, such as filing their expense account reports, scheduling appointments, and making travel plans. They study literature about new and existing products and monitor the sales, prices, and products of their competitors.

Manufacturers' agents who operate a sales agency must also manage their business. This requires organizational skills as well as knowledge of accounting, marketing, and administration.

Working Conditions

Some manufacturers' and wholesale sales representatives have large territories and travel considerably. A sales region may cover several States, and so they may be away from home for several days or weeks at a time. Others work near their "home base" and travel mostly by automobile. Due to the nature of the work and the amount of travel, sales representatives typically work more than 40 hours per week.

Although the hours are long and often irregular, most sales representatives have the freedom to determine their own schedule. Consequently, they can arrange their appointments so they can have time off when they want it.

Dealing with different types of people can be demanding but stimulating. Sales representatives often face competition from representatives of other companies as well as from fellow workers. Companies usually set goals or quotas that representatives are expected to meet. Since their earnings depend on commissions, manufacturers' agents are also under the added pressure to maintain and expand their clientele.

Employment

Manufacturers' and wholesale sales representatives held about 1.5 million jobs in 1998. Three of every 4 salaried representatives worked in wholesale trade—mostly for distributors of machinery and equipment, groceries and related products, and motor vehicles and parts. Others were employed in manufacturing and mining. Due to the diversity of products and services sold, employment opportunities are available in every part of the country in all kinds of industries.

In addition to those working directly for a firm, many sales representatives are self-employed manufacturers' agents. They often form small sales firms and work for a straight commission based on the value of their own sales. However, manufacturers' agents usually gain experience and recognition with a manufacturer or wholesaler before becoming self-employed.

Training, Other Qualifications, and Advancement

The background needed for sales jobs varies by product line and market. The number of college graduates has increased and the job requirements have become more technical and analytical. Most firms now emphasize a strong educational background. Nevertheless, many employers still hire individuals with previous sales experience who do not have a college degree. For some consumer products, other factors such as sales ability, personality, and familiarity with brands are as important as a degree. On the other hand, firms selling industrial products often require a degree in science or engineering in addition to some sales experience. In general, companies are looking for the best and brightest individuals who have the personality and desire to sell.

Many companies have formal training programs for beginning sales representatives lasting up to two years. However, most businesses are accelerating these programs to reduce costs and expedite the returns from training. In some programs, trainees rotate among jobs in plants and offices to learn all phases of production, installation, and distribution of the product. In others, trainees take formal classroom instruction at the plant, followed by on-the-job training under the supervision of a field sales manager. Some sales representatives complete certification courses to become Certified Professional Manufacturers' Representatives (CPMRs).

New workers may be trained by accompanying experienced workers on their sales calls. As they gain familiarity with the firm's products and clients, these workers are given increasing responsibility until they are eventually assigned their own territory. As businesses experience greater competition, increased pressure is placed upon sales representatives to produce faster.

These workers stay abreast of new merchandise and the changing needs of their customers in a variety of ways. They attend trade shows where new products and technologies are showcased. They also attend conferences and conventions to meet other sales representatives and clients and discuss new product developments. In addition, the entire sales force may participate in company-sponsored



A sales representative discusses the advantages of a product with a potential customer.

meetings to review sales performance, product development, sales goals, and profitability.

Those who want to become manufacturers' and wholesale sales representatives should be goal-oriented, persuasive, and work well both independently and as part of a team. A pleasant personality and appearance, the ability to communicate well with people and problem-solving skills are highly valued. Furthermore, completing a sale can take several months and thus requires patience and perseverance. These workers are on their feet for long periods and may carry heavy sample cases, which necessitates some physical stamina. They should also enjoy traveling. Sales representatives spend much of their time visiting current and prospective clients.

Frequently, promotion takes the form of an assignment to a larger account or territory where commissions are likely to be greater. Experienced sales representatives may move into jobs as sales trainers, who instruct new employees on selling techniques and company policies and procedures. Those who have good sales records and leadership ability may advance to sales supervisor or district manager.

In addition to advancement opportunities within a firm, some manufacturers' agents go into business for themselves. Others find opportunities in purchasing, advertising, or marketing research.

Job Outlook

Overall, employment of manufacturers' and wholesale sales representatives is expected to grow more slowly than the average for all occupations through the year 2008. Continued growth due to the increasing variety and number of goods to be sold will be tempered by the increased effectiveness and efficiency of sales workers. Many job openings will result from the need to replace workers who transfer to other occupations or leave the labor force.

Prospective customers will still require sales workers to demonstrate or illustrate the particulars about the good or service. However, technology is expected to make them more effective and productive, for example, by providing accurate and current information to customers during sales presentations.

Within manufacturing, job opportunities for manufacturers' agents should be somewhat better than those for sales representatives. Manufacturers are expected to continue outsourcing sales duties to manufacturers' agents rather than using in-house or direct selling personnel. To their advantage, these agents are more likely to work in a sales area or territory longer than representatives, creating a better working relationship and understanding how customers operate their businesses. Also, by using agents who usually lend their services to more than one company, companies can share costs with the other companies involved with that agent.

Those interested in this occupation should keep in mind that direct selling opportunities in manufacturing are likely to be best for products with strong demand. Furthermore, jobs will be most plentiful in small wholesale and manufacturing firms because a growing number of these companies will rely on wholesalers' and manufacturers' agents to market their products as a way to control their costs and expand their customer base.

Employment opportunities and earnings may fluctuate from year to year because sales are affected by changing economic conditions, legislative issues, and consumer preferences. Prospects will be best for those with the appropriate knowledge or technical expertise as well as the personal traits necessary for successful selling.

Earnings

Compensation methods vary significantly by the type of firm and product sold. Most employers use a combination of salary and commission or salary plus bonus. Commissions are usually based on the amount of sales, whereas bonuses may depend on individual performance, on the performance of all sales workers in the group or district, or on the company's performance.

Median annual earnings of sales representatives, except retail, were \$36,540, including commission, in 1998. The middle 50 percent

earned between \$26,350 and \$51,580 a year. The lowest 10 percent earned less than \$19,220 and the highest 10 percent earned more than \$83,000 a year. Median annual earnings in the industries employing the largest number of sales representatives, except retail, in 1997 were as follows:

Electrical goods	\$36,700
Paper and paper products	36,700
Machinery, equipment, and supplies	36,400
Professional and commercial equipment	35,300
Groceries and related products	31,900

Median annual earnings of sales engineers, including commission, in 1998 were \$54,600. The middle 50 percent earned between \$41,240 and \$79,480 a year. The lowest 10 percent earned less than \$30,560 and the highest 10 percent earned more than \$97,700 a year. Median annual earnings in the industries employing the largest number of sales engineers in 1997 were as follows:

Computer and data processing services	\$62,800
Electrical goods	56,600
Professional and commercial equipment	51,700
Machinery, equipment, and supplies	48,900

In addition to their earnings, sales representatives and engineers are usually reimbursed for expenses such as transportation costs, meals, hotels, and entertaining customers. They often receive benefits such as health and life insurance, pension plan, vacation and sick leave, personal use of a company car, and frequent flyer mileage. Some companies offer incentives such as free vacation trips or gifts for outstanding sales workers.

Unlike those working directly for a manufacturer or wholesaler, manufacturers' agents are paid strictly on commission. Depending on the type of product or products they are selling, their experience in the field, and the number of clients, their earnings can be significantly higher or lower than those working in direct sales. In addition, self-employed manufacturers' agents must pay their own travel, entertainment, and benefit expenses.

Related Occupations

Manufacturers' and wholesale sales representatives must have sales ability and knowledge of the products they sell. Other occupations that require similar skills are: advertising, marketing, and public relations managers; insurance sales agents; purchasing managers, buyers, and purchasing agents; real estate agents and brokers; securities, commodities, and financial services sales representatives; and services sales representatives.

Sources of Additional Information

Information on manufacturers' agents is available from:

✦ Manufacturers' Agents National Association, P.O. Box 3467, Laguna Hills, CA 92654-3467. Internet: <http://www.manaonline.org>

Career and certification information is available from:

✦ Sales and Marketing Executives International, 5500 Interstate North Pkwy., No. 545, Atlanta, GA 30328. Internet: <http://www.smei.org>

✦ Manufacturers' Representatives Educational Research Foundation, P.O. Box 247, Geneva, IL 60134. Internet: <http://www.mrerf.org>

Real Estate Agents and Brokers

(O*NET 43008)

Significant Points

- Real estate sales positions should continue to be relatively easy to obtain due to the large number of people who leave this occupation each year.